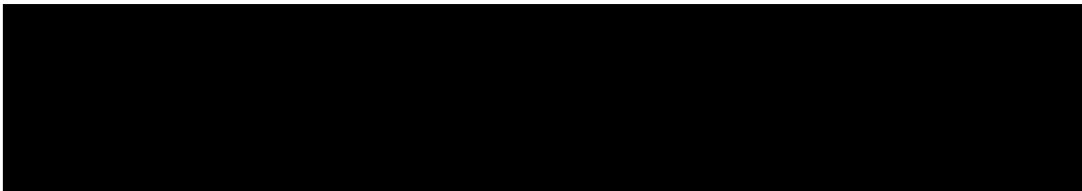


2430 "E" Street, N. W.
Washington, D. C.
15 September 1953

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Dear Mr. [REDACTED]:

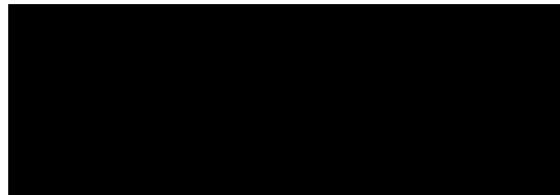
Receipt is acknowledged of your letter of 11 September 1953 forwarding the Contractor's proposal for changes required in connection with the relocation of the deep well.

Since the change involves a negotiated agreement, as opposed to the lump sum competitive figure originally submitted on the contract, the total figure must necessarily be itemized in order to permit an analysis to determine the fairness of the charge.

Please request that the Contractor submit original and two copies of cost breakdown, showing unit costs of deduction and additions for labor and materials by trades, with indications of overhead and profit charges and how these charges are derived.

The need for this should perhaps have been mentioned in forwarding the request for the proposal. It had been taken for granted that the Contractor would realize the need to submit a breakdown. Your comment and any recommendation you may have will be appreciated, although it is not anticipated that you will be in a position to give outright approval or disapproval of the proposal. In the future, all requests for proposals will be channeled through you to the Contractor.

Very truly yours,



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